IN THE CLAIMS

Please amend the claims as follows:

Claims 1-8 (canceled)

Claim 9 (currently amended): A method of reducing wet raw material pellets comprising the steps of: ~~charging the wet raw material pellets comprising a wet mixture of iron oxide powder and reducing material powder on the rotary bed of the rotary bed reducing furnace and reducing said wet raw material pellets by heating thereof in said reducing furnace, the method further comprising the steps of:~~

forming raw material pellets comprising a mixture of iron oxide powder, reducing material powder, and a binder;

continuously forming a bed covering layer [[by]] covering [[the]] a rotary bed of [[the]] a rotary bed direct reducing furnace ~~immediately before charging the wet raw material pellets by~~ with insulating material particles having a higher melting point than the heating temperature in said reducing furnace for reducing the wet raw material pellets immediately before charging the wet raw material pellets so as to protect wet raw material pellets from thermal shock when charged; and

charging the wet raw material pellets on said bed covering layer.

Claim 10 (currently amended): A method for reducing the wet raw material pellets according to claim 9, wherein said insulating material particles are selected from the group consisting of particles made of limestone, dolomite, [[or]] and a basic oxide mixture ~~composed~~ of lime stone and dolomite.

Claim 11 (withdrawn): A rotary bed-type reducing furnace comprising a wet raw material pellets charging device for producing reduced iron pellets by reducing the wet raw material pellets charged by said wet raw material pellets charging device on the rotary bed of

said rotary bed- type reducing furnace, said rotary bed-type reducing furnace further

comprises:

an insulating material particle supplying device for forming a bed covering layer by

covering the rotary bed with the insulating material particles having a higher melting

temperature than the heating temperature of the reducing furnace.

Claim 12 (withdrawn): A rotary bed-type reducing furnace according to claim 11,

wherein said insulating material particles supplying device comprises:

a first hopper for storing said insulating material particles; and

a second hopper which receives said insulating material particles discharged from said

first hopper and which comprises an opening at the bottom such that the opening faces to the

rotary bed of the reducing furnace leaving a space therebetween.

Claim 13 (withdrawn): A rotary bed-type reducing furnace according to claim 12,

wherein said insulating material particles are selected from the group consisting of particles

made of limestone, dolomite, or a basic oxide mixture composed of lime stone and dolomite.

Claims 14-22 (canceled)

Claim 23 (currently amended): A method of reducing wet raw material pellets,

comprising:

preparing wet raw material pellets comprising a wet mixture of iron oxide powder,

[[and]] reducing material powder and a binder;

continuously forming a bed covering layer comprising by continuously charging

insulating material particles having a higher melting point than a heating temperature in a

rotary bed direct reducing furnace configured to reduce the wet raw material pellets

immediately before charging the wet raw material pellets so as to protect the wet raw material

pellets from thermal shock when charged;

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charging the wet raw material pellets on said bed covering layer; and

reducing the wet raw material pellets by heating in said rotary bed direct reducing furnace.

Claim 24 (previously presented): A method for reducing the wet raw material pellets according to claim 23, wherein said insulating material particles comprises particles made of a material selected from the group consisting of limestone, dolomite, and a basic oxide mixture of lime stone and dolomite.

Claim 25 (previously presented): A method for reducing the wet raw material pellets according to claim 23, wherein the insulating particles each have a diameter in a range between 1 mm to 5 mm.

Claim 26 (previously presented): A method for reducing the wet raw material pellets according to claim 23, wherein the forming comprises forming a layer of the insulating particles having a layer thickness in a range between 1 mm to 5 mm.

Claim 27 (previously presented): A method for reducing the wet raw material pellets according to claim 23, wherein the preparing comprises preparing the wet raw material pellets having a size between 7 mm to 20 mm.

Claim 28 (previously presented): A method for reducing the wet raw material pellets according to claim 23, wherein the charging comprises forming one of a single layer of the wet raw material pellets and a double layer of the wet raw material pellets.

Claim 29 (new): A method for reducing the wet raw material pellets according to claim 23, wherein the preparing comprises mixing and palletizing iron oxide powder, reducing material powder, and a binder.